

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
<http://www.in.gov/legislative>

FISCAL IMPACT STATEMENT

LS 6801

BILL NUMBER: SB 283

NOTE PREPARED: Jan 26, 2012

BILL AMENDED: Jan 26, 2012

SUBJECT: High School Dropout Recovery Schools.

FIRST AUTHOR: Sen. Kruse

FIRST SPONSOR:

BILL STATUS: CR Adopted - 1st House

FUNDS AFFECTED: X **GENERAL**
DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: (Amended) *Accreditation:* This bill requires the Department of Education to waive accreditation standards for an accredited nonpublic alternative high school that contracts with a school corporation to provide alternative education services for students who have (1) dropped out of high school; (2) been expelled; or (3) were not successful in the school corporation; to accommodate the nonpublic alternative high school's program and student population.

Tuition Support: The bill provides that a school corporation that enrolls a student who has legal settlement in another school corporation for the student to receive services from a nonpublic alternative high school receives state tuition support for the student.

Graduation Rate: The bill allows a student who receives services from a nonpublic alternative high school to be added into the school corporation's graduation rate cohort for the year in which the student graduates.

Educational Services: The bill provides that a student who is placed in a residential facility is entitled to receive certain defined educational services from the school corporation in which the facility is located.

Effective Date: July 1, 2012.

Explanation of State Expenditures: (Revised) *Accreditation:* The Department of Education could have some minimal costs associated with waiving the accreditation standards for nonpublic schools that contract with public schools to provide services to students that drop out. It is unknown how many schools might qualify under this provision.

Tuition Support: The clarification that the state tuition support goes to the school corporation that educates the student should have no fiscal impact.

Explanation of State Revenues:

Explanation of Local Expenditures: (Revised) *Tuition Support:* Requiring that state tuition support go to the school corporation that provides educational service for the student should have no fiscal impact.

Graduation Rate: The inclusion of students who receives services from a nonpublic alternative high school to be added into the school corporation's graduation rate cohort for the year in which the student graduates should have no fiscal impact but could provide a more accurate graduation rate.

Educational Services: The bill clarifies that a student who is placed in a residential facility is entitled to receive certain defined educational services from the school corporation in which the facility is located should have no fiscal impact.

Explanation of Local Revenues:

State Agencies Affected: Department of Education.

Local Agencies Affected: Local schools that contract with nonpublic schools.

Information Sources:

Fiscal Analyst: Chuck Mayfield, 317-232-4825.